G. R. S. IX-5]

Previous references.

~~G7~~ File No. 6-21

1922

Serial Nos. 306+329

(~~G7~~)

Later references.

G7 5-22 at 5744

" " at 22441.

G7 5-22 at 39847

G. 7-43-23.-145-

G.F. 40-25-55+66.

G.F. 7-26-6/13.

Preserved

Reserve

1.11.63

GENERAL AND REVENUE SECRETARIAT.

G7 213-86-1

Serial Nos. 2

Part B for March 1922

SUBJECT.

Petition from Lakshmiavaramma widow of late Mr. S. Subbaraya Dy amildar requesting that the bond subscribed for by her husband may be issued in her na

---

To Hon. Comptroller No. H 4090 9 17.2.22

Accords sanction to the Comptroller's prop

WD 1888—GPB—16,826—23-7-21

R. S. III-2]

General and Revenue Secretariat.

97 File No. 6 of 1924

Serial No.

97

No. 1021 S. & L.—12-24 from the Comptr. disposing with the necessity for production of court certificates in certain cases.

Submd.

24/12/24

24/12:

There are two points in the confidential note on which orders have to be based.

i. Issuing of bonds to the heirs of deceased subscribers without the necessary succession certificates

ii Issuing of bonds in the names of minors under the guardianship of the self-appointed guardians who have invested money in the State Loan without the production of the necessary guardianship certificate

As regards the former, the Comptroller observes that it is manifestly hard if the heirs of deceased subscribers who have invested small amounts in the loan, are required to obtain the necessary certificates at much expense and delay from the Civil Courts. He suggests that he may be

NOTE—Contn. sheet.

Serial No.

empowered to issue bonds to the limit of Rs 500 to heirs of deceased subscribers, after a full enquiry as to the title of the applicants by the local magisterial agency. A similar relaxation of the legal formalities has been sanctioned ~~for~~ in British India for the exchange of war-bonds & the Comptroller proposes that the same may be followed here, so far as the issue of bonds to heirs of deceased subscribers ~~are~~ is concerned. The difficulties & inconveniences detailed in the Comptroller's note is no doubt real & ~~for~~ possible facilities should be shown to the investing public, so that it may be an inducement to attract money, if loans have to be raised in future. The only point for consideration is whether the limit prescribed by the Comptroller is not a little bit high.

As regards the second point, it is no doubt true, that the self-appointed guardians, referred to, would have preferred to invest the amounts in their own name or not at all, had they known that they would be subject to restraint from Court of Law, guardianship certificate, if bonds had to be issued

NOTE—Contn. sheet.

1721

G. R. S. III-2)

General and Revenue Secretariat. | Gp File No. 16 of 1921

Serial No.

in the Court name of the minor themselves acting as guardians: Every due consideration should be given to the ignorance of these illiterate people & due relaxation of the legal formalities made, so long as such a procedure does not entail much risk to Govt. The proposal of the Complainer, for which the Govt. advocate has no objection, may be approved subject to the strict compliance of the conditions noted therein -

1580 26/12

H. Berry

Please put up a draft order Sanctioning the proposals of the Complr.

28/12 24.

2-7-12-21

Draft submitted.

1614 4-1

H. Berry

31/12 4-1-22

The reading part of the draft is very misleading. The proposals of Complr proposed & the Govt should be clearly specified before according Sanction thereto -

5/1/22

Put up a revised draft for signature

NOTE—Contn. sheet.

G. R. S. III-2]

2721
2880

General and Revenue Secretariat. | G/2 File No. 6 of 19 22

Serial No.

A revised draft is submitted for approval

Draftsman
6/1/22

306 hm

From the Comptr.

No. 6190-8L. d. 7.1.22.

In continuation of his note forwards copy of letter 8.4 L 22 from Lakshmidevamma, widow of late Mr S. Subbaraya Deputy Amildar requesting that the bond subscribed for by her husband (for Rs 300) may be issued in her name

A draft sanctioning the general proposal is put up. This case will be disposed of by the issue of the G.O. under issue.

Draftsman
10/1/22
hm

(H. Grey)

Mahz
14/1/22

The difficulty represented by the Comptr will be removed when our Securities Regs is amended on the lines of the Corresponding British Indian law. The present proposal is for affording temporary relief on the lines adopted by G I before their law was similarly changed -

Please portray a fair draft as altered & send it to Comptr for stating if

* Proposals for amendment have been referred to Legis Branch.
mg

NOTE—Contn. sheet.

988

5

General and Revenue Secretariat.

GF File No. 6 of 1922 PD 483

Serial No.

this
the proposals are properly mentioned in
il- Whether a bonds of indemnity
with sureties should be taken or
not in cases where bonds are
to be delivered on the finding
of Auditors & Masts is not
clear from the Comptr's O.O
Note. The Govt Advocate
I think, has suggested that such
bonds should be taken. I have
made the necessary addition &
the draft and the Comptr's
opinion on this point is particularly
required—

Mly
12-1-22

Forwarded with compliments to the Comptroller for remarks.

B.O
Madangopalan
for H. Srey
16.1.22

Ltr W.O. 78-94
Dt 16/1/1922

The proposals contained in my
W.O note are properly mentioned in
the draft Proceedings. The intention
is to take indemnity bonds even in
cases required only by the Magistrate.

J. Satyanarayana Murty
24-1-22

24/1/22.

1060 S.L
24-1-22

FINANCIAL SECRETARIAT.
25 JAN. 1922

NOTE—Contn. sheet.

Authority has to be
taken under Legislative
Enactment to exercise
these summary powers
to secure protection
from legal liability
for the Comptroller's decisions
under the draft Sp.
Till that is done, it is
presumed that
Govt are prepared
to take up the risk
if any involved.

H Grey. 12/12

1676
12/1 The Comptroller G.A.
recommended that
such instruments
should be G.I
Letters before patent
was changed

[III-2]

General and Revenue Secretariat.

Ly F File No. 6 of 1922

Serial No.

The Comptroller thinks the proposed order is Complete and Suitable for issue

Sd/ 25/2/22

1766 25/1

Sd/ Dewan

DEWAN'S OFFICE.
Recd. on FEB 4 1922
Reg. No. 4093

Sd/ 2.2.22

Draft approved by Dewan
11/2/22

Sd/ 15/2/22

329

To the Comptroller
no Je 4090 d: 17.2.22
Accords sanction to the Comptroller's proposal -

NOTE—Contn. sheet

29948

Please address all future communications to the Comptroller to the Govt. of H.H. the Maharaja of Mysore.
In reply to this Comm. please refer to
No. 860/S1 6/1
6190

OFFICE OF THE COMPTROLLER TO THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

Dated, Bangalore, the 7th ~~19~~ Jan. 22

DIARY No. 8840

1921 – 1922
Section 67
File No. 6-21
Serial No: 306

FROM

T. Satyaraj Chetty, Esq., B.A.,
~~M. N. KRISHNA RAO, ESQ., B.A.,~~

Comptroller to the Government of His Highness the Maharaja of Mysore.

To

M. N. Krishna Rao, Esq., B.A.,

Secretary to the Government of Mysore,

Financial Department.

SIR,

In inviting reference to my Un-Official Note No.541/S1 dated the 14th December 1921, requesting to obtain orders of Government to enable me to dispose of pending cases in the 6½% loan without calling for succession certificates, etc., from the heirs of the subscribers who have died without leaving a registered will, etc., I submit herewith a copy of petition dated the 4th January 1922 from Lakshmidevamma, widow of the late Mr. S. Subbaraya, Deputy Amildar, requesting that bonds for the amounts invested by her deceased husband under the advance scheme and from the amount of the State Provident Fund may be issued in her name. The deceased in this case having left no will, nor appointed any nominee to receive his outstandings in the state Provident Fund Account, the widow pressed hard for money has come forward with her petition for early redress. I request that immediate orders may be obtained in this case, treating it as a special one, if any delay is anticipated in getting general sanction sought for in the Un-Official Note under reference.

I have the honor to be,
Sir,
Your most obedient servant,

T. Satyaraj Chetty

Comptroller.

MSR

MSR/7-1

WD A 0610—GPB—5,000—10-8-17

C. O. 42-Rec.—17]

.....Department

191 .

FROM

M. N. KRISHNA RAO, ESQ., B.A.,
Comptroller to the Govt. of
H. H. the Maharaja of Mysore.

To

.....ESQ.,

Secretary to the Govt. of Mysore,

Dept.

Dated

Despatched

Received

No.....

Subject matter.

Padmalaya, Malleswaram,
Bangalore, 4th January 1922.

To

The Comptroller to the Government of Mysore,
B a n g a l o r e.

Sir,

I beg to state that I am the widow of late Mr. S. Subbaraya, Deputy Amildar of French Rocks, that the deceased has paid to Government R$300/- (in months 15 instalments of R$20/- from September 1920 as per your order) towards the State Loan of 6¼% and that the bonds may be kindly issued in my name as I stand claimant on my own behalf and that of my minor children. As he had asked for bonds of R$500/- the balance of R$200/- may be kindly cancelled as he is no more to pay the remaining instalments.

2. He had also asked that R$325/- of the Provident Amount available at his credit may be paid towards the State Loan of 7 per-cent-that has been done. I beg these bonds may also be issued in my name similarly. As I am not able to appear in person or carry on correspondence I beg my father Mr. M. Krishniah, Retired Amildar may be allowed to correspond on my behalf. The balance of the Provident Fund may be kindly paid to my father.

====== (Sd) [illegible]
widow of late Mr. S. Subbaraya

(True Copy.)

MSR/7-1

MSR

Enclosures (Two)

2724
12-9

Unofficial Note No.540/SL dated 15th December 1921.

This note is submitted in continuation of my Unofficial note No.459/981 dated 29-8-21. In connection with the issue of our last 6½% Loan, the bonds were in many cases issued long after moneys were subscribed. In the interval between the payment of the subscriptions and the despatch of the bonds to the Treasuries for delivery to the subscribers, some of the original subscribers were found to be dead. In most of these cases the deceased subscribers have left no will. The heirs of the deceased subscribers claiming the bonds are unwilling to produce succession certificates in cases in which the amount involved is very small and is not worth the trouble of obtaining such certificates. There is, besides an inherent unwillingness to go to Courts and obtain succession certificates. In most of these cases the bonds subscribed for are of denominations lower than 100 Rupees. In British India, under Section 35 of the Government Securities Manual, in such cases up to a limit of Rs. 5,000/- the local officers, such as the District Magistrates, are empowered to hold an enquiry and a Deputy or Assistant Controller of the Currency, or in the absence of such officer, an Accountant General or Comptroller is empowered to hand over the bonds to the claimant whose claim is established in such an enquiry. A provision on the same lines is necessary for us also here. But it will take some time for our revised Securities Regulation to be passed into law and meanwhile the parties are not having any redress whatever. I am receiving letters daily from Treasury officers asking me what to do with these bonds. In many cases, the Treasury Officers, even though I had not given any instructions, have handed over the bonds to the claimants who on enquiry established their claims,

10

taking necessary muchalikas from them.

I find that, in the case of Government of India bonds subscribed for by the people of the State during the war, when such a difficulty arose Government ordered ~~[illegible]~~ that in cases where the value of the bonds in question was less than Rs. 500/- the bonds could be delivered to the person who was prima facie the sole heir, or for the transfer in whose name all the claimants concurred on taking an indemnity bond with two sureties. If such an authority is given to me now also and the limit raised to Rs. 5,000/- as in British India, most of the cases pending disposal can be disposed of and the very great inconvenience to which parties, who, when Government floated their loan last year, came forward quite willingly to subscribe, are being put to now removed. The Amildar Magistrate in cases up to Rs. 1,500/- and a First Class or District Magistrate in cases up to Rs. 5,000/- may be allowed to hold an enquiry as to the title of the claimant and on their findings I may be permitted to make over the bonds to the claimants.

I enclose herein a file from which it will be seen that for the purpose of affording similar facilities to the small investors in British India, who had subscribed to the War Loans in whose case the stringent provisions in the Securities Regulation would have entailed hardship, the -- controller of the Currency, by an executive order, created conveniences for the public by relaxing the rules. We are in a similar position now, and I, therefore, request that Government may be moved to grant the concessions proposed in the next paragraph. Otherwise, the non-issue of bonds in such cases where no proper certificates are produced is likely to be misunderstood by the ignorant investors

as unwillingness on the part of Government to issue the necessary bonds or pay interest, and the delay in Government Offices in meeting their just claims unfavourably commented upon.

There are also cases where moneys belonging to minors have been invested in the State Loan by their self-appointed guardians. The guardians never expected that this office would ask them to produce the usual guardianship certificates. Else, as some people have put it, they would certainly not have given the money at all and never in the minor's name. Surely it was within the power of the self-appointed guardian to tender the money in his own name, and have the bonds issued in his own name. The points urged by these people are that, when they tendered the money on behalf of the minor, Government never questioned their right to tender moneys, and now when money has been tendered, Government are not prepared to give the bonds or to refund the money due to them, and for doing either of which a guardianship certificate is called for. I think the contention of these people is to a certain extent reasonable. I therefore request that in such cases as the above, I may be permitted to issue the bonds in the minor's name under the guardianship of these self-appointed guardians by taking an indemnity bond with two sureties for twice the amount of the bond (to cover the principal and interest). This procedure entails absolutely no risk to Government since we may instruct the Amildars concerned to see that the sureties given are very reliable. Even if there be any claim by the minor after he attains majority (this is highly improbable) there will be three persons whom Government would hold responsible to refund the money drawn and spent on behalf of the minor.

12

The issue of counterpart notes in such cases is also not possible; because, counterpart notes presuppose that there is a person who is appointed as a guardian but has the powers limited only to the drawing of interest. The real trouble is in getting any guardian appointed at all. People are unwilling to get guardians appointed for minors and to get succession certificates for administering the properties of the deceased.

I therefore request you to kindly obtain immediate orders of Government on the above proposals to enable me to dispose of the very large number of cases pending with me and the Treasuries.

The Government Advocate to whom this note was sent for opinion and remarks has agreed to my proposals and his reply in original is enclosed herewith. (Flag B)

Comptroller.

M. N. Krishna Rao Esq., B.A.,

Financial Secretary to the Government of Mysore,

B a n g a l o r e.

CP/15-12

GOVERNMENT ADVOCATE'S CHAMBERS,
PUBLIC OFFICES,

Bangalore 25th November 192 1

Lodged
Issue No. Copy
with C.A's.
Letter attached

Dear Sir,

I have carefully perused your draft letter to the Government and the note of the Officiating Accountant General, Madras, dated the 18th June 1919 kindly sent by you. I agree with you that there appears to be a substantial grievance amongst the people in regard to the strict insistence on the production of the necessary legal documents, such as Succession Certificates, Letters of Administration, Guardianship Certificates Etc., especially in the case of small investments. From the Legal point of view, of course, such documents are required to be produced so that a perfectly valid and legal quittance may be obtained. (Vide: section 16 of the Succession Certificate Regulation VII of 1901). The Government Securities Regulation IX of 1894 (which is based on the Indian Securities Act XIII 1886) as it stands, does not afford

any satisfactory solution of the points so clearly and convincingly raised by you in your letter under reference. The Power to frame rules reserved to - Government under section 13 of the Regulation does not deal with the present questions. It seems to me, therefore, that the most satisfactory way of - dealing with them and other connected important questions is to repeal the old Securities Regulation and enact a new Regulation on the lines of the present - Indian Securities Act X of 1920. Pending such an - enactment, should the Government decide to take the small - amount of risk involved in dispensing with such documents, a relaxation of the legal formalities in the case of small holders can only be secured by executive rders of the Government, providing as you suggest, - r a careful enquiry by some responsible officer and ment of moneys on obtaining the necessary Indemnity

S.O.

Fair Report

Proceedings of the Government of
His Highness the Maharaja
of M Y S O R E .

R e a d :-

Un-official note dated 15th-December 1921 from the Comptroller - suggesting for reaons given that (a) in cases of small investors in the - Mysore loans, who are dead and have left no will the rule requiring the production of succession certificates by - their heirs claiming the bonds be dispensed with, (b) that the Amildar Magistrate in cases up to Rs.1500/- and the First Class or District Magistrate in cases up to Rs.5000/- may be allowed to hold an enquiry as to the title of the claimant, (c) that on their findings the Comptroller may be authorised to make - over the bonds to the claimants up to a - limit of Rs.5000/- on an indemnity Bond with two sureties for twice the amount of the bonds (d) that in the case of bonds to be issued in the names of minor the production of Guardianship certificates by the self-appointed guardians, who subscribed to the loans on behalf of minor, need not be insisted upon and that he may be authorised to issue the bonds in the minor's name under the - guardianship of such self-appointed - guardians by taking from them an indemnity

C. I. 8

..indemnity bond with two sureties for -
twice the amount of the bonds.

2. Letter No.Sl.0190 dated 7th January 1922 from the same officer, forwarding the application of Laksmmid vamma, widow of late Mr. Subbaraya, Deputy Amildar, French Rocks, and requesting permission to issue in ~~their~~ her - name the bonds subscribed for by her - deceased husband.

Order No. H 4090 1875-21 329

Dated Bangalore the 17/2/1922.

Government are pleased to accord sanction to the proposals ~~of~~ Comptroller's specified above.

11/2/22.

2.2.22.

Financial Secretary to Govt.

To

The Comptroller, Mysore Government.